tries and organisations of the Government. The recommendations of the Committee are being processed in consultation with the various Ministries, Departments, Planning Commission and the Spices Board.

Containing Tobacco Farming

791. SHRI KRISHAN LAL SHARMA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that approximately 60 lakh farmers and labourers are engaged in tobacco farming in the country, at present;

(b) whether it is a fact that Government are considering a proposal to discourage the cultivation of tobacco in the country whereas its exports earning is over Rs. 500 crores for the country;

(c) whether it is also a fact that there is a great scope for increasing its exports by growing more Virginia and Burleys tobacco; and

(d) if so, the steps Government propose to take in this regard?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) As per Tobocca Board's estimates about 50 lakh farmers and labourers are engaged in tobacco farming.

(b) Tobacco Board regulates the production of only FCV tobacco. The crop size of FCV tobacco is fixed after taking into account domestic requirements and the international demand and supply scenario.

(c) In view of the large carry-over stock world wide the scope of significant increase in export of tobacco in the current year (does not appear likely) is limited.

(d) Tobacco Board has been adopting the following measures for export promotion:—

1. Standing trade delegations to various select markets.

2. Participation in International Exhibitions.

3. Aggressive publicity in overseas markets.

4. Pursuing issues of exports of Indian tobacco and tobacco products with Governments of importing countries through Joint Committee Meetings.

5. Undertaking packaging developments for products like Bidi, Hookah Tobacco Paste with the help of Indian Institute of Foreign Trade.

6. Development of high quality tobaccos.

Impact of Gatt on Commerce

792. SHRI TINDIVANAM G. VENKATRAMAN: Will the Minister of COMMERCE be pleased to state:

(a) what is the exact impact on commerce after the signing of GATT agreement;

(b) whether the impact is encouraging or discouraging;

(c) what steps Government intend to take for boosting commerce; and

(d) what is the percentage of commerce prior to GATT and after entering into GATT agreement?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (d) Estimates made by the World Bank, OECD and the GATT Secretariat, show that the implementation of the Uruguay Round Agreement would add between US $ 213 and US $ 274 billion annually to the world income. The GATT Secretariat's estimate of the overall trade impact is that the level of merchandise trade in goods would be higher by US $745 billion in the year 2005 than it otherwise would have been.

The Uruguary Round Agreement will enter into force, according to current expectations on 1.1.1995. Government propose to get the market access schedules on goods and services analysed in detail in order to identify the goods, services and markets having the greatest export potential for India. Such an analysis would assist in the formulation of appropriate policies with a view to maximising the benefits from the Uruguay Round Agreement.

Trade agreement with Japan

793. SHRI SHIVPRASAD CHANPURIA: Will the Minister of COMMERCE be pleased to state:

(a) what are the areas in which India has entered into agreement with Japan togeher with the separate details in respect of trade and industry;

(b) whether it is a fact that traders and industrialists of Japan prefer trade with Southern-Eastern countries vis-a-vis India and they have been making more investment in countries like Thailand and Malaysia;

(c) if so, whether Government have ascertained the causes regarding lower capital investment in India by Japan and whether any steps have been taken to remove those causes; and

(d) whether Government propose to take effective steps to attract Japanese investment in India?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) India has entered into agreement with Japan in the areas of Civil Aviation Culture, Trade, Avoidance of Double Taxation, Small Scale Industries, Science & Technology etc. The agreement of Commerce between India and Japan was signed on 4th Feb., 1953.

(b) As per Japanese statistics, their cumulative investment during 1951 to 1991 in India has been less than their investment in other countries of Asia.

(c) and (d) Various measures have been taken by Govt. of India to liberalise environment for foreign direct investment from abroad including Japan. Inter-alia, these include included industrial delicensing, removal of dividend balancing condition in majority industries, automatic approval procedure, fast-track FIPB mechanism etc.

Indo-Italian joint business Council meeting

794. SHRI K. M. KHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether some meetings of Indo-Italian Joint Business Council was held in Rome during May, 1994;

(b) if so, details thereof with circumstances leading to such meetings;

(c) whether such meetings will boost bilateral trade between the two countries in some fields within some time schedule;

(d) if so, details thereof and if not reasons therefore;

(e) whether this meeting will also enhance the level of Italian investment in India as well as industrial collaborations; and

(f) if so, details thereof and if not, reasons therefor?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir. The 8th Meeting of Indo-Italian Joint Business Council was held in Rome on 31.5.1994.

(b) to (f) Joint Business Councils meet periodically with a view to exploring greater business opportunities. Increased interaction between